

City of Myrtle Beach Request for Qualifications

Stormwater Management Fee
and Level of Service Analysis

Issue Date: September 11, 2019



First in Service

Issued By:

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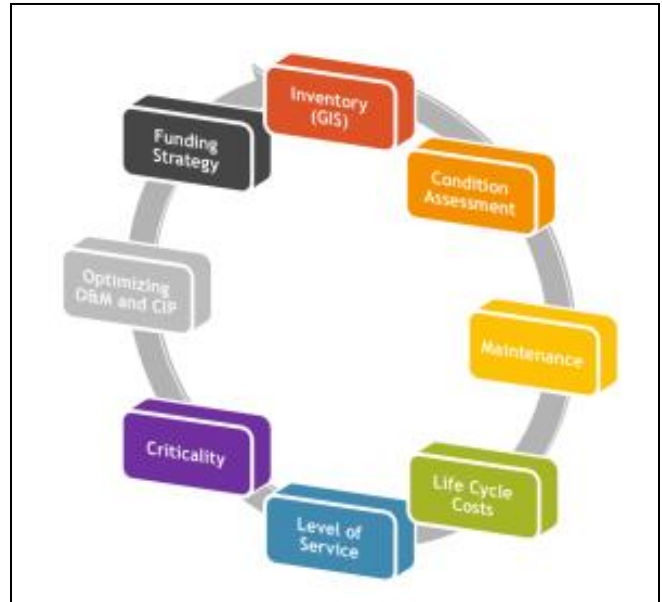
REQUEST FOR QUALIFICATIONS

Stormwater Management Fee and Level of Service Analysis

The City of Myrtle Beach (City) is requesting qualifications from experienced firms to conduct a comprehensive Stormwater Management Fee and Level of Service Analysis to support the vast amount of services affiliated with the stormwater management program.

The City of Myrtle Beach is seeking the most qualified firm with whom to contract for stormwater utility financial and related stormwater management program consulting services. Qualified firms will offer and integrate stormwater utility financial and stormwater program management experience and expertise.

It is anticipated that this solicitation will result in a Master Services Agreement for professional services associated with stormwater utility financial advisor and related stormwater management program consulting services. Each individual statement of work in the form of a Supplemental Agreement will contain a detailed scope of services, schedule for performance, and associated budget for services.



Background

The City of Myrtle Beach, a family-friendly coastal community that supports a growing residential population of 32,795 and welcomes approximately 14 million visitors a year, remains one of the fastest growing areas in South Carolina. Our beautiful recreational beachfront, growing business community, exceptional health care, and local educational institutions are just some of the characteristics that are attracting new residents to our community.

The City of Myrtle Beach leads to improve the quality of life for residents. The City welcomes growth and diversity through policies and programs that aim to protect life and property and enhance our existing neighborhoods, natural amenities, and support economic growth.

The City of Myrtle Beach Stormwater Management Program provides and funds comprehensive public stormwater services for our residents, business owners, and visitors. These stormwater services are to protect, maintain and enhance the health, safety, and general welfare of our citizens; to decrease the degradation of the beaches; to prevent damage to property from improper drainage and flooding; and to protect drinking water supplies.

The City of Myrtle Beach owns, operates, and maintains stormwater conveyance systems (e.g. pipelines, channels, swales, and inlets) within the City's right-of-way and properly dedicated easements. As a rule, the City is not responsible for the operation or maintenance of stormwater conveyance systems located outside of the city-owned right-of-way or properly dedicated easements, nor is the City responsible for surface drainage problems arising from street runoff or stormwater conveyance systems owned, operated, or maintained by others (ex. Horry County, South Carolina Department of Transportation, or private property owners).

The City of Myrtle Beach established a stormwater management user fee in 1999 and Article IV Stormwater Management Fee of Chapter 18 of the code of ordinances details the establishment of the fee, applicable stormwater service costs supported by the fee, and calculation and billing methodology of the base unit model. Since the implementation of the user fee, the City has adjusted the fee periodically (2008, 2010, 2013, 2018) to reflect increasing operation and maintenance and capital expenditures, yet no modifications have been made to the present base unit model fee structure.

Stormwater services include but are not limited to the following:

- regulatory compliance and development review and related inspections
- erosion and sediment control
- asset management and drainage system maintenance
- water quality monitoring
- master planning
- floodplain management
- capital improvement projects (flood control and water quality retrofit)
- beach management and beach renourishment
- National Pollutant Discharge and Elimination System Municipal Separate Storm Sewer System (NPDES MS4) permit renewal
- stormwater management fee utility administration
- outreach, education, and public involvement

Scope of Services Provided by Firm

The awarded firm shall provide services and conduct analyses as required to address the following scope of work:

- Provide support to staff and City Administration to guide the development of Extent of Service (EOS) and Level of Service (LOS) policies.

The City of Myrtle Beach desires to achieve a level of service that manages assets proactively and substantially extends the useful life of the stormwater system, thereby improving the fiscal responsibility of system operations. The intent of the LOS policy task is to provide direction for the stormwater management program, assist with budgeting, and to create a common understanding of program expectations for staff, City Leadership, residents, and businesses.

- The Extent of Services (EOS) policy seeks to provide an overview of the various stormwater conveyance system components and guide maintenance priorities of the City of Myrtle Beach and private landowners for each type of conveyance system. The document shall reference components of the stormwater system that are subject to permanent maintenance by the City and describe general service boundaries, including where and under what circumstances the City will and will not perform work.
- The Level of Service (LOS) policy seeks to define the multiple level of service options to guide and support the operation and maintenance of the stormwater system in the most efficient manner possible to provide our citizens with a stormwater management program that meets the expectations of City Leadership and residents. The document shall describe alternative levels of service to assist the City in understanding the cost implications of various stormwater management program objectives.
 - Development of strategic level of service goals that focus on the stormwater program as a whole, as defined by the stormwater management ordinance to include citizen impacts, fiscal and regulatory responsibility, and environmental concerns of the City.
 - Development of tangible level of service goals that focus on the planning, enforcement, maintenance, repair, rehabilitation, and replacement of the infrastructure components of the stormwater system.
- Perform stormwater management program cost of service studies associated with varying extent and level of service options for consideration by decision-makers.
 - Develop up to four (4) alternative levels of service options for the stormwater management program services currently provided by the City of Myrtle Beach.
 - Indicate the existing level of service provided by the City.
 - Identify resource and funding gaps between existing and desired LOS levels.
- Evaluate the ability of the existing stormwater utility rate to fund the forecast of annual operating revenues, operating and maintenance expenses (under existing LOS), capital expenditures (under existing LOS), reserves, and transfers between funds (hospitality fee and accommodations taxes.) Consideration should be given for market escalation.
- Recommend an integrated Stormwater Management Program financial and user fee rate model that is tailored to meet the specific needs and requirements of the City, including modifications and updates based upon City review and feedback.
 - Presently the City utilizes a base unit model, equivalent residential unit, calculation methodology. The City desires to explore alternative tools and methodologies to calculate and routinely update impervious area on property.
 - The City desires to explore incorporating a credit program within the model that incentivizes low impact development.
 - Although the primary source of funding for the stormwater management program is envisioned to remain as revenue from the stormwater management fee, the City desires to evaluate potential changes to development fees for existing stormwater plan review and related inspection services.
 - The City desires to explore incorporating beach management and renourishment activities along the recreational beachfront within the model. A portion of the revenue

is envisioned to support the Local Sponsor cost-share needs of the federal Myrtle Beach Shore Protection Project.

- Evaluate whether the revenues of the proposed stormwater utility user fee rates, rate structures, and charges associated with varying extent and level of service options selected by decision-makers would be adequate or sufficient to recover the projected revenue requirements over the five (5) year forecast period. Consideration should be given for market escalation.
 - Make recommendations based upon the City's desired LOS.
 - Recommend the stormwater management fee rate for 2020 – 2021.
 - Recommend incremental rate adjustments over a five (5) year forecast period.
 - Evaluate the customer utility bill impacts of the recommended rate structure based upon the customer type and development.
- Evaluate the ability of the existing stormwater utility rate to fund the forecast of annual operating revenues, operating and maintenance expenses (under desired LOS), capital expenditures (under desired LOS), reserves, and transfers between funds (hospitality fee and accommodations taxes). Consideration should be given for market escalation.
- Conduct stormwater management program financial benchmarking and performance metric development, review, and evaluation for continued internal tracking.

Scope of Services Provided by the City

The services to be provided by the City include, but are not necessarily limited to the following:

- Furnish all reasonable available records and information, including financial reports, operational budgets, maintenance service records and scheduled work plans, five (5) year capital improvement plan, unfunded capital improvement infrastructure requests.
- Provide staff and engineering support and assistance as required and agreed to in advance of the analysis.

Mandatory Pre-Qualification Conference

A mandatory pre-qualification conference will be held on Monday, September 23, 2019, beginning promptly at 10:00AM (local time) at the City of Myrtle Beach Purchasing Office, located at 3231 Mr. Joe White Avenue, Myrtle Beach, SC 29577. Physical attendance by a firm representative is required. No remote attendance options are available. On-time attendance and sign-in are required for firm consideration. Late attendees will not be admitted.

Deliverables

The stormwater management fee and level of service analysis shall explicitly include the following elements and analysis:

1. Meet or confer with staff as needed.
2. Prepare and present preliminary drafts of the following for staff comments:
 - a. Extent of Service Policy
 - b. Level of Service Policy
 - c. Preliminary Stormwater Management Fee and Level of Service Analysis report and tentative fee structure
3. Attend one meeting with City Council at Council Workshop to present the interim status of the Stormwater Management Fee and Level of Service Analysis report
4. Incorporate changes pursuant to comments received at the first presentation.
5. Present the final draft of the following for staff comments
 - a. Extent of Service Policy
 - b. Level of Service Policy
 - c. Final Stormwater Management Fee and Level of Service Analysis report and recommended fee structure
6. Firm may be asked to present the final report and recommended rate structure to City Council and members of the public at a City Council meeting.

Project Timeline

Action	Date
Release of Solicitation	September 11, 2019
Mandatory Pre-Qualification Meeting	September 23, 2019 at 10:00AM 3231 Mr. Joe White Avenue Myrtle Beach, SC 29577
Questions Due (asowers@cityofmyrtlebeach.com)	September 27, 2019 at 10:00AM
City Response to Questions	October 2, 2019
Qualifications Due	October 11, 2019
Evaluation Period Ends	October 18, 2019
Reference Checks (as needed)	October 21-25, 2019
Negotiations/Selection of Finalists	October 28-29, 2019
Anticipated Contract Award	November 1, 2019

The City of Myrtle Beach reserves the right, at its sole discretion, to adjust the schedule as it deems necessary.

Proposal Submittal and Evaluation Criteria

The following information is to be submitted as part of the proposal. The proposal is not to be more than 20 single-sided pages in length including single page resumes of persons to be assigned to the

project. Five copies of the proposal are to be provided. (Other material such as a copy of a rate study performed by the applicant that most closely fits the scope of work outlined above may be sent as a supplement.) The 20-page portion of the proposal is to be organized into the following categories:

- A. Project Approach: Describe your approach to this project and any special strategies, techniques, or suggestions that you think might make the project proceed smoothly. Evaluation weight: 60 points
- B. Experience: Describe the experience of the firm and of the individuals assigned with related projects of a similar nature. Provide at least municipality three references. Evaluation Weight: 15 points
- C. Qualifications: Describe your firm's unique qualifications and training for this type of work. Cite specific accounting certifications or accreditations. Evaluation Weight: 20 points
- D. Schedule: Describe your plan/schedule for completing the work. Evaluation Weight: 5 points

Deadline for submitting proposals will be 2:00PM (local time) on October 11, 2019. All proposals should be sent to:

Ann Sowers
City of Myrtle Beach
Purchasing Division
3231 Mr. Joe White Avenue
Myrtle Beach, SC 29577

Proposals should be marked Stormwater Management Fee and Level of Service Analysis. No e-mail submissions will be accepted. The City of Myrtle Beach will not be responsible for late or misdirected mail.

Questions concerning the scope of work should be sent to Ann Sowers at asowers@cityofmyrtlebeach.com

Selection of Firm

All qualifications received on time will be reviewed and screened by the City. Finalists may be invited for interviews, after which the City staff will negotiate a Master Services Agreement for professional services with the selected finalist. If the City is unable to reach agreement with the selected finalist, the City will begin negotiations with other finalists, until an agreement satisfactory to the City is reached.

The City reserves the right to waive technicalities or irregularities, accept the qualifications and award a contract, to postpone acceptance and award of the contract, to reject any and all qualifications received and re-advertise the project, to negotiate for a partial scope of work, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interests of the City.